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Correspondence Memorandum

Date: April 10, 2020
To: Group Insurance Board
From: Douglas Wendt, Health Policy Advisor
 Office of Strategic Health Policy
Subject: Health Plan Configuration Review

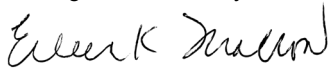
This memo is for informational purposes only. No Board action is required.

The Department of Employee Trust Funds (ETF) is working in collaboration with contracted health plans to develop and implement an annual benefit configuration review process. This memo provides an overview of the development of an annual benefits configuration review process, including pilot configuration review details and next steps.

Background

Under Section 155C of the *State of Wisconsin Group Health Insurance Program Agreement* (Agreement), ETF has the authority to request complete benefits configuration details from each health plan on an annual basis. Benefits configuration is the translation of a benefit from a text description into standardized alphanumeric codes that can be interpreted by automated claims processing systems. Major elements of a benefit that are configured are the services performed, the applicable diagnoses, and the type of provider performing the service. ETF has not exercised this option in the past for the following reasons:

- A complete benefits configuration can be tens of thousands of lines long when built out in a transferrable format such as Microsoft Excel;
- The health plans do not all use the same system for benefits configuration and requiring the health plans to try and pull the details of the configuration into a single uniform format to submit to ETF would be overly burdensome;
- Due to the large number of health plans and plan designs, review and comparison of the full configuration of all the health plans would require 1.0 FTEs for four to six months per year;
- Interpretation of the benefit configurations and evaluation of the nuances of any differences requires staff with a background in configuration and availability of coding tools.

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy  Electronically Signed 4/27/20

Board	Mtg Date	Item #
GIB	5.13.20	9B

Intent/Vision for the Benefits Configuration Review Process

Although the authority for this derives from an audit section of the Agreement, the intent of the benefits configuration review is to be collaborative with the health plans for quality improvement. ETF has a responsibility to ensure members have a consistent experience, regardless of which health plan they choose. As identified in the pilots, ETF does not want to be too directive on how the health plans define benefits at the code level, but instead create a collaborative process. This is to make sure ETF is clear on the intent behind how the benefits should be administered and that all the health plans have a consistent interpretation of that intent. The goal is to perform an annual review with each health plan. However, to keep the work associated with the review manageable, the focus will be on new/changed benefits with the possibility of including other benefits that may have been identified as concerns during the year. This vision was first communicated widely to most of the health plans during in-person meetings with health plan leadership during the winter of 2019/2020.

Triple Aim

This new process aligns with the Experience of Care dimension of the Triple Aim, with the goal of ensuring a uniform member experience with their uniform benefits, regardless of health plan.

Pilot Configuration Reviews

In December of 2019 and January of 2020, ETF staff conducted on-site pilot benefit configuration reviews with two health plans, Quartz and WEA Trust. Reviewing configuration details within the health plan's administration system meant the health plans did not need to extract large configuration files. Furthermore, the appropriate health plan staff were available to answer ETF staff questions in person.

The agenda for the pilot sessions consisted of the following topics:

- Learning about the systems/tools used to do the benefits configuration;
- Overview of the benefits configuration process used by the health plan;
- Learning about which ETF benefits require a different configuration from the same benefit for their regular book of business, including pain points for the health plans around configuration of ETF UB;
- How benefit information is communicated to internal and contracted providers for point-of-service cost share collection;
- Review of the configuration of some select benefits that were chosen because they are either the most commonly used benefits, have generated inquires to ETF in the past, or are new;
- The reviewed benefits were:
 - Emergency Room
 - Primary vs Specialty Office Visits
 - Transgender Services
 - Bariatric Surgery
 - Lab Panels/Preventive Labs
 - Mental Health Parity

- Deductible/Out of Pocket Limit Accumulators
- Feedback on the on-site session and thoughts for further development of the process;
- The sessions focused on the HMO plans and did not include Medicare or Access plan benefits.

Pilot Configuration Review Findings:

- ETF's intent and the health plans' interpretation of the selected benefits were consistent;
- No notable differences between the two health plans' configurations of the selected benefits were identified;
- Most of ETF's Uniform Benefits follow industry norms and share the same configuration with the health plans' regular book of business;
 - ETF should be careful not to prescribe details of the benefits configuration, since that impacts the plans' other book of business or requires special configuration for ETF, which takes ETF away from standard medical benefits;
 - ETF should instead strive to foster collaboration between the health plans when differences in benefits configuration are identified;
 - Feedback from one of the health plans was that they sometimes wonder how other health plans have defined a certain benefit;
- Timing of the annual process
 - Although fall seems to ETF as the most appropriate time for the sessions, since that is when the annual configuration work is being done, feedback from some health plans is that fall is already too busy to add anything new to the workload;
 - One health plan expressed that clarifying the intent is better done sooner rather than later in the year.

Development of the Annual Process

There are a few considerations when developing the permanent process, including:

- The pilots were done by an OSHP staff member with a specific background in benefits configuration. The permanent process should not be reliant on one specific ETF staff resource.
- In order to facilitate collaboration among the health plans, the process should incorporate a forum in which all the health plans can have a group discussion versus individual sessions with each health plan.
- The annual process should begin early enough in the calendar year to accommodate health plans' internal processes for working on annual benefits configuration.
- The process should not be overly burdensome for either ETF or health plan resources.
- The all-plan discussion on new/changed benefits must be timed after those benefit changes are approved by the Group Insurance Board (Board) at its May meeting each year.

- The distance and expense for on-site visits at some health plan offices should be considered.

As a new process, it will continue to be developed and refined over the first few annual benefit cycles.

For 2020 (benefits for 2021 plan year), the process will start with a group discussion during the summer meeting of the ETF Council on Health Program Improvement (CHPI). This will be a deeper discussion of the intent behind the approved benefits and should include benefit configuration staff from each health plan. Currently there are still plans to do on-site visits with each health plan in the fall, although that could be scaled back to a conference call based on the complexity of the benefits under review. There are also plans to have an all-plan conference call in the Fall to further foster collaboration between the health plans.

Conclusion

Annual benefit configuration review will help to ensure health plans are interpreting ETF's Uniform Benefits and Certificates of Coverage as intended. By identifying and correcting unclear benefits guidance or areas of confusion, ETF will help to ensure a consistent experience for members across multiple health plans. Successful benefits configuration will reduce the number of member and health plan inquiries about correct benefits administration. As a result, members will have more confidence that health plans are administering their benefits correctly, health plans will experience increased administrative ease, and ETF staff will spend less time responding to benefit administration inquiries. Staff will provide an update to the Board in February 2021.

Staff will be at the Board meeting to answer any questions.